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Before the

House Government Reform

Subcommittee on Criminal Justice

Drug Policy, and Human Resources

“Interrupting Narco-Terrorist Threats on the High Seas:

Do We Have Enough Wind in Our Sails?”

Introduction

Chairman Souder, Ranking Member Cummings, distinguished members of the subcommittee, on behalf of Administrator Karen P. Tandy, I wish thank you for your continued support of the men and women of DEA as well as for the opportunity to testify today to discuss drug trafficking in the transit zones.

DEA's primary function as an investigative law enforcement agency is to identify and dismantle the world's most sophisticated drug distribution organizations. In gathering intelligence from our investigations, DEA identifies actionable leads that can be passed to interdiction forces which result in seizures and arrests. These in turn generate tips and leads for investigators to further their current investigation or initiate new investigations.

DEA's role in interdiction efforts is crucial since the intelligence gained from these operations often provides the information needed to unveil the depth and magnitude of a drug trafficking organization's abilities and intentions. Law enforcement, intelligence, and interdiction agencies all have an integral role in this cycle of disruption of drug trafficker operations.

Drug trafficking has evolved into an international business that affects each and every one of us on a daily basis. Decisions made in source areas such as Bogota and Transit Zone areas such as Mexico, have a direct and immediate impact on our major cities in the United States, and increasingly in smaller rural areas of the United States.

Threat Assessment:

Most of the major illegal drugs abused in the United States are produced in Latin America. Cocaine production begins in South America where net cultivation in the Andean Ridge countries of Colombia, Bolivia, and Peru has remained fairly consistent over the past two years at roughly 166,000 hectares under cultivation. Colombia, Bolivia, and Peru collectively produced an estimated 640 metric tons of pure cocaine base in 2004,

roughly a 5 percent decline from production levels in 2003. Production levels have generally declined over the last few years due primarily to eradication efforts. Colombia, over the last several years, has become less dependent on Peruvian and Bolivian sources of supply for cocaine base. Colombia now produces at least 70 percent of the global cocaine HCl and as much as 90 percent of the cocaine HCl that reaches the United States. Traffickers use a variety of smuggling methods to move their product out of Latin America, including maritime and air conveyances. Currently, the majority of the cocaine is believed to be smuggled via maritime means. Colombia also produces heroin which is oftentimes smuggled on persons who travel via commercial air to transport the heroin. Drugs depart South America for locations worldwide. When one focuses however on those drugs destined for the United States, two very general corridors stand out: Mexico/Central America and the Caribbean.

MEXICO-CENTRAL AMERICAN CORRIDOR

Situation Analysis:

Historically, Colombian drug traffickers have utilized the Mexico-Central American corridor as a transshipment route to smuggle cocaine into the United States (U.S.). Cocaine is smuggled into Mexico via maritime, land, and air conveyances. Go-fast vessels and fishing vessels are the primary conveyances used to move cocaine into Mexico and Central America. Seizures in the transit zone often provide additional intelligence for enforcement activities and opportunities for United States prosecution. Arresting traffickers and enlisting their cooperation is a great source of information regarding the drug trafficking organizations' methods of operation.

DEA Operations:

Operation Panama Express – a multi-agency Organized Crime Drug Enforcement Task Force (OCDETF) investigation that began in the mid 1990s. Today there are personnel from DEA, ICE, JIATF, FBI, IRS, U.S. COAST GUARD, the U.S. Attorney for the Middle District of Florida, Florida Department of Law Enforcement, and the Sarasota, Hillsborough, and Pinellas County Sheriff's Offices dedicated to Operation Panama Express. Panama Express now operates from two offsite locations divided by investigative responsibility over the transit zones they cover. They also now operate as smaller fusion centers for the collection of actionable intelligence which is passed to the Joint Inter Agency Task Force South (JIATF-S) in Florida. JIATF-S utilizes the information to better direct air and naval assets towards the goal of interdicting vessels smuggling cocaine through the transit zones.

The multi-agency El Paso Intelligence Center (EPIC) also participates in sharing information that increases the effectiveness of Panama Express. By passing real-time, actionable intelligence information on smuggling operations to JIATF-S, transit zone interdictions can be made more precise. As Assistant Administrator for Intelligence Anthony Placido testified to this committee on June 14, 2005, the cooperative efforts

among EPIC, JTF-N, the U.S. Customs and Border Protection's Air and Marine Operations Center (AMOC) and JIATF-S contribute greatly to our interdiction effectiveness. These organizations recently met in Dallas, Texas to develop a common operating procedure that will ultimately improve our efforts in the transit zone.

Panama Express has had a measurable impact on the cocaine transportation industry, and law enforcement in general, outside of the statistical accomplishments of arrests and seizures and dismantlement of the cocaine organizations. Panama Express has had a significant impact on many factors related to task force operations, intelligence gathering, the deployment of naval and air assets dedicated to the interdiction of smuggling ventures, the development of technology used to target drug transportation and prosecution of cases resulting from JIATF-S interdictions.

The impact of Operation Panama Express is evident in the fact that not only have drug trafficking organizations (DTO) generally reduced the size of the cocaine loads they are smuggling by fishing vessel to an average of 3,000 kilograms, but also through Panama Express, more than 500 mariners have been arrested, significantly diminishing the supply of experienced mariners to operate the fishing vessels and go-fast boats used to smuggle cocaine. These factors resulting from the impact of Operation Panama Express have imposed significant hardships on the operating procedures of drug traffickers.

The following are arrest and seizure statistics for Panama Express, for FY 03, 04, and 05 thru 6/9/05 (seizure amounts include loads that are scuttled as well)

- FY 03 - arrests - 216; seizures - 63,000 kgs
- FY 04 - arrests - 261; seizures – 110,109 kgs
- FY 05 - arrests – 203; seizures - 76,920 kgs
- There have been approximately 190 interdictions credited to Operation Panama Express since its inception in 2000.

CARIBBEAN CORRIDOR

Situation Analysis:

Currently, Latin American drug organizations, particularly major Colombian North Coast groups use the Caribbean corridor, especially the Dominican Republic, Jamaica, Haiti, and the Bahamas as a transshipment point for cocaine and heroin destined for the United States and Europe. Key strategic countries utilized by these organizations as hubs are Curacao, Haiti, the Dominican Republic, and St. Maarten. Over the years, Colombian traffickers have exploited the Caribbean corridor, as the region provides them with increased flexibility and anonymity because of its vast geographic territory, numerous law enforcement jurisdictions, and fragmented investigative resources.

DEA has conducted several key multi-jurisdiction multi-national investigations that have had a significant effect on drug trafficking in the Caribbean region. Indicators of an interdiction impact include a reduction in the flow of drugs to certain areas and a shifting of transit routes through others. Overall, the strategic placement of interdiction assets in the Caribbean significantly enhances the effectiveness of DEA's efforts.

DEA Operations:

The DEA Special Operations Division (SOD) developed a Caribbean Initiative and began working with several countries in the Caribbean corridor to utilize evidence and intelligence derived to develop multi-national investigations. This multi-faceted investigative strategy is designed to combat the trafficking problem by employing a coordinated regional attack on the entire trafficking organization simultaneously – from the sources of supply in Colombia to the transportation cells in the Caribbean corridor, the distribution cells throughout the U.S., and the financial operations.

The following operations, in which several Consolidated Priority Organization Targets (CPOTS) were arrested, are examples of the success DEA has realized by utilizing the Caribbean Initiative to target priority drug trafficking organizations:

Operation Double Talk – a multi-jurisdiction, multi-national OCDETF operation targeting Bahamian-based cocaine trafficking organization laundering money through financial institutions in New York and elsewhere. As a result of the New York operations, not only was a cocaine distribution cell (moving 500 kilogram shipments) disrupted but a heroin mill capable of distributing approximately 30-50 kilograms per month was seized and assets worth more than \$5,000,000 are being forfeited by the U.S. Attorney for the Southern District of New York and DEA. This organization is responsible for transporting multi-hundred kilograms of cocaine via maritime methods from Jamaica to the United States via the Bahamas. These loads of cocaine were being transported into Miami, Florida from the Bahamas and then further trucked up to New York for distribution. To date, 31 arrests have been made, 235 kilograms of cocaine have been seized, 1,500 pounds of marijuana and \$8,409,200 in US currency/assets have been seized. The Bahamas has continued their international cooperation with the United States, and is coordinating execution of additional arrests and search warrants in the Bahamas and Jamaica to coincide with Operation Busted Manatee.

Operation Busted Manatee – a multi-jurisdictional, multi-national OCDETF operation initiated in August 2002. This operation targets significant Colombian sources of supply of cocaine, Colombian North Coast transportation coordinators, Caribbean trafficking cells, U.S./Canada based distribution cells, and money launderers from Colombia, Jamaica, the Bahamas, the United States, and Canada. These drug traffickers are responsible for transporting multi-ton quantities of cocaine from the North Coast of Colombia to Jamaica, the Bahamas, and South Florida for distribution to the U.S. and Canada. Operation Busted Manatee currently encompasses investigations in seven DEA offices (Miami, FL; Kingston, Jamaica; Cartagena, Colombia; Nassau, Bahamas; Panama; Ottawa, Canada; and

New York, NY) the U.S. Attorney for the Southern District of New York, the U.S. Attorney for the Western District of New York, the U.S. Attorney for Southern District of Florida, the Criminal Division's Narcotic and Dangerous Drug Section, and six countries (Colombia, Canada, Panama, Jamaica, Bahamas, and the United Kingdom).

The well coordinated, multi-national effort between investigators from *Operations Busted Manatee* and *Double Talk*, represents an impressive coalition that has compiled to date, 130 arrests, the seizure of 6,589 kilograms of cocaine, 2,665 pounds of marijuana, and \$45,929,155.40 in U.S. currency/assets.

CARIBBEAN INITIATIVE STATISTICS

SOD OPERATION	ARRESTS	COCAINE (KG) SEIZED	MARIJUANA (LB) SEIZED	U.S. CURRENCY/ ASSETS SEIZED
Double Talk	31	235	1,500	\$8,409,200
Busted Manatee	99	6,354	1,165	\$37,519,955.40
Total	130	6,589	2,665	\$45,929,155.40

Operation Firewall - The North Coast of Colombia is a major embarkation zone for go-fast vessels laden with multi-ton quantities of cocaine destined for United States via the Caribbean and Central American countries. It is estimated that several hundred go-fast boats leave the North Coast annually and each go-fast has the capability to transport between 1.5 and 2 metric tons of cocaine. To combat this situation, the Cartagena Resident Office (RO), Bogotá Country Office, in conjunction with the Cartagena Tactical Analysis Team and JIATF-S developed a maritime interdiction program on the Colombian north coast called Operation Firewall. Operation Firewall specifically integrates resources of foreign counterparts, such as the Colombian Navy/Coast Guard, Air Force, the Colombian National Police, Anti-narcotics North Zone Unit, SOUTHCOM, and DEA with support from U.S. Department of State/Narcotics Affairs Section. This program works in tandem with Panama Express and other maritime initiatives to target as well as maximize interdiction capabilities against Consolidated Priority Organization Targets (CPOTs) as well as Colombian transportation organizations in the Caribbean.

The mission of this DEA-sponsored program is to specifically target go-fast boat activity and support investigative and intelligence efforts directed at transportation organizations related to DEA priority targets. Since the inception of Operation Firewall in July of 2003, and through June of 2005, the program has resulted in an approximate seizure of 21,923 kilograms of cocaine. Combined with Panama Express, the numbers are significantly enhanced with a total of 71,583 kilos of cocaine seized, 46 go-fast vessels seized and a total of 173 individuals arrested. While these combined figures provide an illustration of the successful and seamless relationship between Operation Firewall and Panama Express, they represent only a handful of the successful and collaborative counter-drug operations executed to interrupt the flow of narcotics through the transit zones.

Conclusion:

Chairman Souder, Ranking Member Cummings, distinguished members of the subcommittee, drug trafficking organizations today have the capacity to overwhelm the defenses of individual nations. These traffickers have adopted a global approach to their operations, consequently amassing billions of dollars of illicit profits, weakening national economies and democratic institutions, spreading violence and destruction, and producing some of the most powerful and corrupting organizations in the world. Therefore, it is incumbent on all nations to structure law enforcement operations which can dismantle these formidable sophisticated traffickers. The DEA recognizes that inter-agency cooperation and coordination is fundamental to increasing the efficiency of our operations in the transit zones. The DEA is committed to maintaining an effective relationship with its partners in domestic and international law enforcement, as well as its operational counterparts in other agencies. The United States must continue to synchronize the resources and capabilities of operational and enforcement agencies to collectively put forth the strongest effort to combat drug trafficking in the transit zones.

I thank you once again for the opportunity to testify and I look forward to answering any questions you may have.